

HUMAN SERVICES DEPARTMENT[441]

Adopted and Filed

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 75, “Conditions of Eligibility,” Iowa Administrative Code.

These amendments provide the annual update of the premium levels for the Medicaid coverage group for employed people who are disabled (known as MEPD). The Deficit Reduction Act of 2005 limits premiums and other cost sharing for most Medicaid coverage groups to 5 percent of an individual’s or family’s income. To ensure compliance with that limit, the Department has set MEPD premiums at less than 5 percent of income, leaving some of the 5 percent amount for other cost sharing.

Iowa Code section 249A.3(2)(a)(1) requires that “[t]he maximum premium payable by an individual whose income exceeds one hundred fifty percent of the official poverty guidelines shall be commensurate with the cost of state employees’ group health insurance in this state.” The average cost to the state of state employees’ health insurance for a single person is now \$660. Therefore, the maximum premium must be set at that amount.

Together, increasing the maximum premium to \$660 and limiting all premiums to less than 5 percent of income require that most of the poverty level income increments and premium amounts be changed in order to maintain a sliding scale with a reasonable number of gradually increasing income and premium increments. Under the new schedule, some MEPD members will be required to pay a higher premium. However, all MEPD members assessed a premium will pay less than 5 percent of their household income in Medicaid cost sharing. (Only 5 percent of MEPD members have individual income higher than 200 percent of the federal poverty level. Currently, there are no MEPD members with individual income higher than 400 percent of the federal poverty level.)

These amendments also include a change to the address where premium payments are mailed. The Department is planning to require that payments be mailed to a designated lock box for processing. Members will have the choice of payment with a personal check or money order. Payment with cash will no longer be acceptable.

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on April 20, 2011, as **ARC 9479B**. The Department received no comments on the Notice of Intended Action. There has been one change from the Notice. The new address for the lock box is not yet available, so subparagraph 75.1(39)“b”(8) is amended to read as follows: “(8) Premiums may be submitted in the form of money orders or personal checks to the address printed on the return envelope enclosed with Form 470-3902, MEPD Billing Statement.”

The Council on Human Services adopted these amendments on June 8, 2011.

These amendments do not provide for waivers in specified situations. Requests for the waiver of any rule may be submitted under the Department’s general rule on exceptions at 441—1.8(17A,217).

After analysis and review of this rule making, no impact on jobs has been found.

These amendments are intended to implement Iowa Code section 249A.3(2)(a)(1).

These amendments will become effective August 3, 2011.

The following amendments are adopted.

ITEM 1. Amend subparagraph **75.1(39)“b”(3)** as follows:

(3) Premiums shall be assessed as follows:

IF THE INCOME OF THE APPLICANT IS ABOVE:	THE MONTHLY PREMIUM IS:
150% of Federal Poverty Level	\$33 <u>\$34</u>
180% <u>165%</u> of Federal Poverty Level	\$53 <u>\$44</u>
220% <u>180%</u> of Federal Poverty Level	\$73 <u>\$54</u>
250% <u>200%</u> of Federal Poverty Level	\$94 <u>\$65</u>
280% <u>225%</u> of Federal Poverty Level	\$109 <u>\$75</u>
310% <u>250%</u> of Federal Poverty Level	\$129 <u>\$86</u>
340% <u>300%</u> of Federal Poverty Level	\$154 <u>\$106</u>
370% <u>350%</u> of Federal Poverty Level	\$188 <u>\$127</u>
400% of Federal Poverty Level	\$221 <u>\$148</u>
430% <u>450%</u> of Federal Poverty Level	\$255 <u>\$169</u>
460% <u>550%</u> of Federal Poverty Level	\$295 <u>\$209</u>
510% <u>650%</u> of Federal Poverty Level	\$342 <u>\$250</u>
590% <u>750%</u> of Federal Poverty Level	\$396 <u>\$292</u>
680% <u>850%</u> of Federal Poverty Level	\$457 <u>\$335</u>
775% <u>1000%</u> of Federal Poverty Level	\$524 <u>\$399</u>
900% <u>1150%</u> of Federal Poverty Level	\$608 <u>\$469</u>
<u>1300%</u> of Federal Poverty Level	<u>\$560</u>
<u>1480%</u> of Federal Poverty Level	<u>\$660</u>

ITEM 2. Amend subparagraph **75.1(39)“b”(8)** as follows:

(8) Premiums may be submitted in the form of cash, money orders, or personal checks to the department at the following address: Department of Human Services, Supply Unit A-Level, Room 77, Hoover State Office Building, 1305 East Walnut, Des Moines, Iowa 50319 printed on the return envelope enclosed with Form 470-3902, MEPD Billing Statement.

[Filed 6/8/11, effective 8/3/11]

[Published 6/29/11]

EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 6/29/11.